

FEB 18 2004

RELEASED FOR PUBLICATIONFILED
CLERK'S OFFICE**DOCKET NO. 1584****BEFORE THE JUDICIAL PANEL ON MULTIDISTRICT LITIGATION****IN RE FEDERAL HOME LOAN MORTGAGE CORP. SECURITIES &
DERIVATIVE LITIGATION (NO. II)****BEFORE WM. TERRELL HODGES, CHAIRMAN, JOHN F. KEENAN,
BRUCE M. SELYA, D. LOWELL JENSEN, J. FREDERICK MOTZ AND
ROBERT L. MILLER, JR., JUDGES OF THE PANEL****TRANSFER ORDER**

This litigation presently consists of three actions: two actions in the Southern District of New York and one action in the Southern District of Ohio.¹ Before the Panel is a motion, pursuant to 28 U.S.C. § 1407, by the Federal Home Loan Mortgage Corporation (Freddie Mac) to centralize these actions in the Eastern District of Virginia for coordinated or consolidated pretrial proceedings. Plaintiffs in the New York actions agree that centralization is appropriate, but suggest the Southern District of New York as transferee district. The Ohio plaintiffs (and lead plaintiff movants) – Ohio Public Employees Retirement System and State Teachers Retirement System of Ohio – oppose 1407 centralization; if the Panel deems centralization appropriate, they suggest the Southern District of Ohio as transferee district.

On the basis of the papers filed and hearing session held, the Panel finds that the actions in this litigation involve common questions of fact, and that centralization in the Southern District of New York will serve the convenience of the parties and witnesses and promote the just and efficient conduct of the litigation. All actions share factual questions arising out of alleged accounting irregularities at Freddie Mac which resulted in its understating of earnings for fiscal years 2000 through 2003. Centralization under Section 1407 is necessary in order to eliminate duplicative discovery, prevent inconsistent pretrial rulings, and conserve the resources of the parties, their counsel and the judiciary.

The Panel is persuaded that the Southern District of New York is an appropriate transferee district for this litigation. We note that i) two of the three actions now before the Panel are pending there; and ii) the New York district is readily accessible for parties and witnesses.

¹ The Panel has been notified that three potentially related actions are pending in the following federal districts: two actions in the Southern District of Ohio and one action in the Eastern District of Virginia. These actions and any other related actions will be treated as potentially related actions, see Rule 7.01, R.P.J.P.M.L., 199 F.R.D. 425, 435-36 (2001).

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IT IS THEREFORE ORDERED that, pursuant to 28 U.S.C. § 1407, the action on the attached Schedule A pending in the Southern District of Ohio is transferred to the Southern District of New York and, with the consent of that court, assigned to the Honorable John E. Sprizzo for coordinated or consolidated pretrial proceedings with the actions pending there.

FOR THE PANEL:

A handwritten signature in black ink, appearing to read "Wm. Terrell Hodges", written over a horizontal line.

Wm. Terrell Hodges
Chairman

SCHEDULE A

MDL-1584 -- In re Federal Home Loan Mortgage Corp. Securities & Derivative Litigation (No. II)

Southern District of New York

Roger Sprigle, et al. v. Federal Home Loan Mortgage Corp., et al., C.A. No. 1:03-4261

Esther Sadowsky Testamentary Trust, etc. v. Leland C. Brendsel, et al., C.A. No. 1:03-4910

Southern District of Ohio

Ohio Public Employees Retirement System, et al. v. Federal Home Loan Mortgage Corp., et al., C.A. No. 2:03-711